GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

CAF & CS Department – Andhra Pradesh State Civil Supplies Corporation Limited – Permission to A.P. State Civil Supplies Corporation Limited for availing Cash Credit limits of Rs. 2,000 crores in addition to the existing sanctioned limits of Rs.20,000 crores from the Banks at reasonable one month MCLR of SCBs and not more than 8.5 % in any case – Orders – Issued.

CONSUMER AFFAIRS, FOOD & CIVIL SUPPLIES (CS.I) DEPARTMENT

G.O.RT.No. 57 **Dated: 24-10-2019,**
Read the following.

1.G.O.Ms.No.19, CAF & CS (CS.I) Department, dated:24-11-2017.
2.G.O.Ms.No.21, CAF & CS (CS.I) Department, dated:14-09-2018.
3.G.O.Rt.No.80, CAF& CS (CS.I) Department, dated:16-10-2018.
4.G.O.Rt.No.7, CAF & CS (CS.I) Department, dated:25-01-2019.
5.Note from VC & MD., A.P.S.C.S.C.L., (FCS51-12021/5/2109-FIN SEC – APSCSCL)

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ORDER:

In the reference 1st read above, orders were issued permitting AP State Civil Supplies Corporation to avail Cash Credit limits to the extent of Rs 15,000 Crores from Nationalised Banks at one month MCLR 7.9% on the guarantee issued by Government of Andhra Pradesh. Further, considering the fact that Paddy purchases were going on briskly and A.P. State Civil Supplies Corporation Ltd., had to keep its finances for Rabi 2018-19 commencing from 01.04.2019, the Government vide G.O.Ms.No.7, CAF & CS (CS.I) Department, dated:25-01-2019, issued orders permitting A.P. State Civil Supplies Corporation Ltd., to take further cash credit Limits of Rs.5000 Crore from Banks to meet the urgency on the guarantee of State Government. Thus the total Cash Credit Limits availed by the A.P. State Civil Supplies Corporation have come to Rs.20,000 Crores and the State Government also issued the guarantee to the Bankers.

2. In the reference 5th read above, the Vice-chairman and Managing Director, A.P. State Civil Supplies Corporation Ltd., Vijayawada has stated that the sources for repayment of Cash Credit Limits are the subsidies on rice from State Government and as well as from Government of India and the temporary difficulties had with in realization of subsidies from State Government. The Vice-chairman and Managing Director is therefore requested to accord permission for availing Cash Credit Limits of Rs. 2,000 crores in addition to the existing sanctioned limits of Rs. 20,000 crores from the Banks at reasonable one month MCLR.

3. After examination of the proposal in consultation with the Finance Department, Government hereby accord permission to the Andhra Pradesh State Civil Supplies Corporation, Vijayawada to avail Cash Credit limits of Rs. 2,000 crores in addition to the existing sanctioned limits of Rs.20,000 Crores

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from the Banks at reasonable one month MCLR of SCBs and not more than 8.5 % in any case, subject to the following terms and conditions:

i. The Corporation have to Pay the Guarantee commission @2% of Guaranteed amount to State Government as onetime measure.

ii. Remaining debt repayment and future procurement operations are to bemanaged by disposing the additional stocks available with APSCSCL and realizing the dues receivable from the Govt. of India.

iii. APSCSCL shall take any further loans only with the approval of the Govt.of Andhra Pradesh to keep their debt burden under control.

iv. Servicing of the Loan will be done by A.P. State Civil Supplies Corporation Ltd., with its internal resources.

4. The Vice Chairman and Managing Director, Andhra Pradesh State Civil Supplies Corporation Limited, Vijayawada is authorized to enter loan agreements with the Commercial Banks for debt swapping and fresh loans as per orders in para (1) above, for procurement of paddy from the farmers and take necessary steps for pledging the stocks with the respective banks as per the norms and maintain the accounts as per the terms and conditions in the Bank Agreement. She is also requested to send necessary proposals to the Government for extending the Government Guarantee from Finance Department to the loans taken by them from time to time. Further, the A.P. State Civil Supplies Corporation Ltd., is directed to prudently utilize the loan in order to reduce interest burden.

5. The Commissioner of Civil Supplies, Andhra Pradesh, Vijayawada is requested to obtain the periodical reports from the APSCSCL, Vijayawada and send the Cash Credit position to the Government for record purpose.

6. This order issues with the concurrence of Finance Department vide their U.O.No.22022/3/C&DM/2017 (Computer No:191612), dated:03-09-2019.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

KONA SASIDHAR
EX. OFFICIO SECRETARY TO GOVERNMENT

To
The Vice Chairman and Managing Director, Andhra Pradesh State Civil Supplies Corporation Limited, Vijayawada.
The Commissioner of Civil Supplies, Andhra Pradesh, Vijayawada.
Copy to:
The Finance (DM) Department.
The P.S. to Principal Finance Secretary to Govt., Finance Department.
The GA Department.
[w.r.t.CR No.360/2019]
SF/SC.

// FORWARDED :: BY ORDER //

SECTION OFFICER.